

Executive Summary – Enforcement Matter – Case No. 55497
INEOS NITRILES USA LLC
RN100210038
Docket No. 2017-1788-WDW-E

Order Type:

1660 Agreed Order

Findings Order Justification:

N/A

Media:

WDW

Small Business:

No

Location(s) Where Violation(s) Occurred:

Ineos Green Lake Plant, 13050 State Highway 185 North, Port Lavaca, Calhoun County

Type of Operation:

Industrial chemical manufacturing company and an underground injection well

Other Significant Matters:

Additional Pending Enforcement Actions: Yes, Docket No. 2018-0979-IWD-E

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

Texas Register Publication Date: June 15, 2018

Comments Received: No

Penalty Information

Total Penalty Assessed: \$15,802

Amount Deferred for Expedited Settlement: \$3,160

Total Paid to General Revenue: \$6,321

Total Due to General Revenue: \$0

Payment Plan: N/A

Supplemental Environmental Project (“SEP”) Conditional Offset: \$6,321

Name of SEP: Texas Association of Resource Conservation and Development Areas, Inc. (Third-Party Pre-Approved)

Compliance History Classifications:

Person/CN - High

Site/RN - High

Major Source: Yes

Statutory Limit Adjustment: N/A

Applicable Penalty Policy: April 2014

Investigation Information

Complaint Date(s): N/A

Complaint Information: N/A

Date(s) of Investigation: July 18, 2017

Date(s) of NOE(s): December 8, 2017

Executive Summary – Enforcement Matter – Case No. 55497
INEOS NITRILES USA LLC
RN100210038
Docket No. 2017-1788-WDW-E

Violation Information

1. Failed to conduct quarterly corrosion monitoring of well materials. Specifically, corrosion monitoring was not performed for the second quarter and fourth quarter of 2016 [30 TEX. ADMIN. CODE § 331.64(g) and Waste Disposal Well ("WDW") Permit No. WDW-165 Provision VIII(H) Monitoring and Testing and Provision IX(E)(1) and XI(A) Additional Requirements].
2. Failed to maintain an operating wellhead injection pressure that does not exceed the permitted maximum. Specifically, on May 26, 2015, during normal operation of the well, the injection pressure increased to 1,006 pounds per square inch gauge ("psig") for less than one minute which exceeded the 1,000 psig maximum permitted surface injection pressure [30 TEX. ADMIN. CODE §§ 305.125 and 331.63(c) and 40 CODE OF FEDERAL REGULATIONS § 146.13(a)(1) and Permit No. WDW-165, Permit Provision VII(B) Operating Requirements, XI(A) and XI(E)(1) Additional Requirements].
3. Failed to maintain chemical or physical characteristics of the injected fluids within specified permit limits for the protection of the injection well, associated facilities, and injection zone and to ensure proper operation of the Facility. Specifically, on May 13, 2017, the pH of injected fluids into the injection well was measured at 8.1 which exceeded the maximum permitted pH of 8.0 [30 TEX. ADMIN. CODE § 331.63(h) and Permit No. WDW-165 Provision Nos. XI(A) and XI(E)(1) Additional Requirements and V(C) Character of the Waste Stream].

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

The Respondent submitted documentation on August 21, 2017 to the Corpus Christi Regional Office indicating:

- a. Implemented procedures to ensure quarterly corrosion monitoring is performed in a timely manner; and
- b. Implemented procedures to calibrate injection flow meters to control injection pressures and to perform preventative maintenance on the control valve to ensure injection pressure is maintained below the maximum permitted limit.

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Technical Requirements:

1. The Order will require the Respondent to implement and complete a SEP (see SEP Attachment A).
2. The Order will also require the Respondent to:
 - a. Within 30 days, develop and implement procedures to maintain physical and chemical characteristics of injected fluids into the injection well are within specified permit limits; and
 - b. Within 45 days, submit written certification to demonstrate compliance with a.

Contact Information

TCEQ Attorney: N/A

TCEQ Enforcement Coordinator: Epifanio Villarreal, Enforcement Division, Enforcement Team 6, MC R-14, (361) 825-3421; Michael Parrish, Enforcement Division, MC 219, (512) 239-2548

TCEQ SEP Coordinator: Stuart Beckley, SEP Coordinator, Enforcement Division, MC 219, (512) 239-3565

Respondent: Guy Barnocky, President, INEOS NITRILES USA LLC, 4245 Meridian Parkway, Suite 130, Aurora, Illinois 60504

Respondent's Attorney: N/A



Penalty Calculation Worksheet (PCW)

Policy Revision 4 (April 2014)

PCW Revision March 26, 2014

DATES	Assigned	18-Dec-2017	PCW	19-Dec-2017	Screening	19-Dec-2017	EPA Due	30-Sep-2016
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RESPONDENT/FACILITY INFORMATION

Respondent	INEOS NITRILES USA LLC
Reg. Ent. Ref. No.	RN100210038
Facility/Site Region	14-Corpus Christi

Major/Minor Source Major
CASE INFORMATION

Enf./Case ID No.	55497	No. of Violations	3
Docket No.	2017-1788-WDW-E	Order Type	1660
Media Program(s)	Underground Injection Control	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Epifanio Villarreal

EC's Team

Enforcement Team 6

Admin. Penalty \$ Limit Minimum \$0 Maximum \$25,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties)
Subtotal 1 **\$20,500**
ADJUSTMENTS (+/-) TO SUBTOTAL 1

Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.

Compliance History **-3.0%** Adjustment **Subtotals 2, 3, & 7** **-\$615**

Notes Enhancement for two NOVs with same/similar violations, reductions for one notice of intent to conduct an audit and one disclosure of violation.
Reduction for High Performer classification.

Culpability **No** **0.0%** Enhancement **Subtotal 4** **\$0**

Notes The Respondent does not meet the culpability criteria.

Good Faith Effort to Comply Total Adjustments **Subtotal 5** **-\$4,187**

Economic Benefit **0.0% Enhancement*** **Subtotal 6** **\$0**

Total EB Amounts **\$179**
Estimated Cost of Compliance **\$1,300**
*Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7 **Final Subtotal** **\$15,698**
OTHER FACTORS AS JUSTICE MAY REQUIRE **0.7%** **Adjustment** **\$104**

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes Enhancement for the recovery of avoided costs associated with Violation
No. 1.

Final Penalty Amount **\$15,802****STATUTORY LIMIT ADJUSTMENT** **Final Assessed Penalty** **\$15,802**
DEFERRAL **20.0%** Reduction **Adjustment** **-\$3,160**

Reduces the Final Assessed Penalty by the indicated percentage.

Notes Deferral offered for expedited settlement.

PAYABLE PENALTY **\$12,642**

Screening Date 19-Dec-2017

Docket No. 2017-1788-WDW-E

PCW

Policy Revision 4 (April 2014)

PCW Revision March 26, 2014

Respondent INEOS NITRILES USA LLC

Case ID No. 55497

Reg. Ent. Reference No. RN100210038

Media [Statute] Underground Injection Control

Enf. Coordinator Epifanio Villarreal

Compliance History Worksheet>> **Compliance History Site Enhancement (Subtotal 2)**

Component	Number of...	Number	Adjust.
NOVs	Written notices of violation ("NOVs") with same or similar violations as those in the current enforcement action (<i>number of NOVs meeting criteria</i>)	2	10%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	0	0%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (<i>number of judgments or consent decrees meeting criteria</i>)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (<i>number of counts</i>)	0	0%
Emissions	Chronic excessive emissions events (<i>number of events</i>)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which notices were submitted</i>)	1	-1%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which violations were disclosed</i>)	1	-2%
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2)

7%

>> **Repeat Violator (Subtotal 3)** No**Adjustment Percentage (Subtotal 3)**

0%

>> **Compliance History Person Classification (Subtotal 7)** High Performer**Adjustment Percentage (Subtotal 7)**

-10%

>> **Compliance History Summary**

Compliance History Notes

Enhancement for two NOVs with same/similar violations, reductions for one notice of intent to conduct an audit and one disclosure of violation. Reduction for High Performer classification.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7)

-3%

>> **Final Compliance History Adjustment****Final Adjustment Percentage *capped at 100%**

-3%

Screening Date 19-Dec-2017

Docket No. 2017-1788-WDW-E

PCW

Policy Revision 4 (April 2014)

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN100210038

Media [Statute] Underground Injection Control

Enf. Coordinator Epifanio Villarreal

Violation Number 1

Rule Cite(s)

30 Tex. Admin. Code § 331.64(g) and Waste Disposal Well ("WDW") Permit No. WDW-165 Provision VIII(H) Monitoring and Testing and Provision IX(E)(1) and XI(A) Additional Requirements

Violation Description

Failed to conduct quarterly corrosion monitoring of well materials. Specifically, corrosion monitoring was not performed for the second quarter and fourth quarter of 2016.

Base Penalty

\$25,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential	x		

Percent 30.0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0.0%

Matrix Notes

Human health or the environment will or could be exposed to pollutants that would exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment

\$17,500

\$7,500

Violation Events

Number of Violation Events

2

183

Number of violation days

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty

\$15,000

Two single events are recommended, one per missed monitoring period.

Good Faith Efforts to Comply

25.0%

Reduction

\$3,750

Before NOE/NOV NOE/NOV to EDPRP/Settlement Offer

Extraordinary

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Ordinary

x	
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N/A

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Notes The Respondent achieved compliance on August 21, 2017, prior to the Notice of Enforcement ("NOE") dated December 8, 2017.

Violation Subtotal

\$11,250

Economic Benefit (EB) for this violation

Estimated EB Amount

\$107

Statutory Limit Test

Violation Final Penalty Total

\$10,872

This violation Final Assessed Penalty (adjusted for limits)

\$10,872

Economic Benefit Worksheet

Respondent INEOS NITRILES USA LLC
Case ID No. 55497
Reg. Ent. Reference No. RN100210038
Media Underground Injection Control
Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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Delayed Costs

Equipment			0.00	\$0	\$0	\$0	
Buildings			0.00	\$0	\$0	\$0	
Other (as needed)			0.00	\$0	\$0	\$0	
Engineering/Construction			0.00	\$0	\$0	\$0	
Land			0.00	\$0	n/a	\$0	
Record Keeping System			0.00	\$0	n/a	\$0	
Training/Sampling			0.00	\$0	n/a	\$0	
Remediation/Disposal			0.00	\$0	n/a	\$0	
Permit Costs			0.00	\$0	n/a	\$0	
Other (as needed)	\$100	31-Dec-2016	21-Aug-2017	0.64	\$3	n/a	\$3

Notes for DELAYED costs

Estimated delayed cost amount to develop and implement procedures designed to ensure that quarterly corrosion monitoring is performed in a timely manner. The Date Required is the end date of the fourth quarter of 2016, and the Final Date is the date of compliance.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal			0.00	\$0	\$0	\$0	
Personnel			0.00	\$0	\$0	\$0	
Inspection/Reporting/Sampling			0.00	\$0	\$0	\$0	
Supplies/Equipment			0.00	\$0	\$0	\$0	
Financial Assurance [2]			0.00	\$0	\$0	\$0	
ONE-TIME avoided costs [3]	\$100	1-Apr-2016	31-Dec-2016	0.75	\$4	\$100	\$104
Other (as needed)			0.00	\$0	\$0	\$0	

Notes for AVOIDED costs

Estimated avoided cost amount to conduct corrosion quarterly monitoring, calculated from the beginning date of the second quarter of 2016 to the end date of the fourth quarter of 2016.

Approx. Cost of Compliance

TOTAL

Screening Date 19-Dec-2017

Docket No. 2017-1788-WDW-E

PCW

Policy Revision 4 (April 2014)

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN100210038

Media [Statute] Underground Injection Control

Enf. Coordinator Epifanio Villarreal

Violation Number 2

Rule Cite(s)

30 Tex. Admin. Code §§ 305.125 and 331.63(c) and 40 Code of Federal Regulations § 146.13(a)(1) and Permit No. WDW-165, Permit Provision VII(B) Operating Requirements, XI(A) and XI(E)(1) Additional Requirements

Violation Description

Failed to maintain an operating wellhead injection pressure that does not exceed the permitted maximum. Specifically, on May 26, 2015, during normal operation of the well, the injection pressure increased to 1,006 pounds per square inch gauge ("psig") for less than one minute which exceeded the 1,000 psig maximum permitted surface injection pressure.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR		Harm			Percent
		Release	Major	Moderate	
		Actual			
		Potential		X	7.0%

>> Programmatic Matrix

	Falsification	Major	Moderate	Minor	Percent
					0.0%

Matrix Notes

Human health or the environment will or could be exposed to insignificant amounts of pollutants that would not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$23,250

\$1,750

Violation Events

Number of Violation Events 1

Number of violation days 1

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	X

Violation Base Penalty \$1,750

One single event is recommended.

Good Faith Efforts to Comply

25.0%

Reduction

\$437

Before NOE/NOV NOE/NOV to EDPRP/Settlement Offer

Extraordinary	
Ordinary	X
N/A	

Notes

The Respondent came into compliance on August 21, 2017, prior to the NOE dated December 8, 2017.

Violation Subtotal \$1,313

Economic Benefit (EB) for this violation

Estimated EB Amount \$11

Violation Final Penalty Total \$1,269

This violation Final Assessed Penalty (adjusted for limits) \$1,269

Economic Benefit Worksheet

Respondent INEOS NITRILES USA LLC
Case ID No. 55497
Reg. Ent. Reference No. RN100210038
Media Underground Injection Control
Violation No. 2

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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Delayed Costs

Equipment			0.00	\$0	\$0	\$0
Buildings			0.00	\$0	\$0	\$0
Other (as needed)			0.00	\$0	\$0	\$0
Engineering/Construction			0.00	\$0	\$0	\$0
Land			0.00	\$0	n/a	\$0
Record Keeping System			0.00	\$0	n/a	\$0
Training/Sampling			0.00	\$0	n/a	\$0
Remediation/Disposal			0.00	\$0	n/a	\$0
Permit Costs			0.00	\$0	n/a	\$0
Other (as needed)	\$100	26-May-2015	21-Aug-2017	2.24	\$11	n/a
						\$11

Notes for DELAYED costs

Estimated delayed cost to timely calibrate injection flow meters to control injection pressures and perform preventative maintenance on the control valve. The Date Required is the exceedance date and the Final Date is the date of compliance.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal			0.00	\$0	\$0	\$0
Personnel			0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling			0.00	\$0	\$0	\$0
Supplies/Equipment			0.00	\$0	\$0	\$0
Financial Assurance [2]			0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]			0.00	\$0	\$0	\$0
Other (as needed)			0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$100

TOTAL

\$11

Screening Date 19-Dec-2017

Docket No. 2017-1788-WDW-E

PCW

Policy Revision 4 (April 2014)

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN100210038

Media [Statute] Underground Injection Control

Enf. Coordinator Epifanio Villarreal

Violation Number 3

Rule Cite(s)

30 Tex. Admin. Code 331.63(h) and Permit No. WDW-165 Provision Nos. XI(A) and XI(E)(1) Additional Requirements and V(C) Character of the Waste Stream

Violation Description

Failed to maintain chemical or physical characteristics of the injected fluids within specified permit limits for the protection of the injection well, associated facilities, and injection zone and to ensure proper operation of the Facility. Specifically, on May 13, 2017, the pH of injected fluids into the injection well was measured at 8.1 which exceeded the maximum permitted pH of 8.0.

Base Penalty

\$25,000

>> Environmental, Property and Human Health Matrix

OR	Release Actual Potential	Harm			Percent 15.0%
		Major	Moderate	Minor	
				X	

>> Programmatic Matrix

Falsification	Major	Moderate	Minor	Percent 0.0%

Matrix Notes

Human health and the environment has been exposed to insignificant amounts of pollutants which do not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment

\$21,250

\$3,750

Violation Events

Number of Violation Events 1

Number of violation days 1

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	X

Violation Base Penalty

\$3,750

One single event is recommended.

Good Faith Efforts to Comply

0.0%

Reduction

\$0

Before NOE/NOV NOE/NOV to EDPRP/Settlement Offer

Extraordinary	
Ordinary	
N/A	X

Notes

The Respondent does not meet the good faith criteria for this violation.

Violation Subtotal

\$3,750

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$61

Violation Final Penalty Total

\$3,662

This violation Final Assessed Penalty (adjusted for limits)

\$3,662

Economic Benefit Worksheet

Respondent INEOS NITRILES USA LLC

Case ID No. 55497

Reg. Ent. Reference No. RN100210038

Media Underground Injection Control

Violation No. 3

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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Delayed Costs

Equipment			0.00	\$0	\$0	\$0
Buildings			0.00	\$0	\$0	\$0
Other (as needed)			0.00	\$0	\$0	\$0
Engineering/Construction			0.00	\$0	\$0	\$0
Land			0.00	\$0	n/a	\$0
Record Keeping System			0.00	\$0	n/a	\$0
Training/Sampling			0.00	\$0	n/a	\$0
Remediation/Disposal			0.00	\$0	n/a	\$0
Permit Costs			0.00	\$0	n/a	\$0
Other (as needed)	\$1,000	13-May-2017	1-Aug-2018	1.22	\$61	n/a
						\$61

Notes for DELAYED costs

Estimated delayed cost to maintain waste in preinjection tanks to ensure that pH is below the permitted level. The Date Required is the exceedance date, and the Final Date is the estimated date of compliance.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal			0.00	\$0	\$0	\$0
Personnel			0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling			0.00	\$0	\$0	\$0
Supplies/Equipment			0.00	\$0	\$0	\$0
Financial Assurance [2]			0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]			0.00	\$0	\$0	\$0
Other (as needed)			0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$1,000

TOTAL

\$61

The TCEQ is committed to accessibility.

To request a more accessible version of this report, please contact the TCEQ Help Desk at (512) 239-4357.



Compliance History Report

Compliance History Report for CN605075381, RN100210038, Rating Year 2017 which includes Compliance History (CH) components from September 1, 2012, through August 31, 2017.

Customer, Respondent, or Owner/Operator: CN605075381, INEOS NITRILES USA LLC **Classification:** HIGH **Rating:** 0.00

Regulated Entity: RN100210038, Ineos Green Lake Plant **Classification:** HIGH **Rating:** 0.00

Complexity Points: 34 **Repeat Violator:** NO

CH Group: 05 - Chemical Manufacturing

Location: 13050 STATE HIGHWAY 185 N PORT LAVACA, TX 77979-7208, CALHOUN COUNTY

TCEQ Region: REGION 14 - CORPUS CHRISTI

ID Number(s):

AIR OPERATING PERMITS ACCOUNT NUMBER CB0034B

AIR OPERATING PERMITS PERMIT 1284

PETROLEUM STORAGE TANK REGISTRATION

INDUSTRIAL AND HAZARDOUS WASTE EPA ID

REGISTRATION 36304

TXD000751172

INDUSTRIAL AND HAZARDOUS WASTE SOLID WASTE

INDUSTRIAL AND HAZARDOUS WASTE PERMIT 50143

REGISTRATION # (SWR) 32164

UNDERGROUND INJECTION CONTROL PERMIT WDW163

UNDERGROUND INJECTION CONTROL PERMIT WDW164

UNDERGROUND INJECTION CONTROL PERMIT WDW165

WASTEWATER PERMIT WQ0002181000

WASTEWATER EPA ID TX0077577

AIR NEW SOURCE PERMITS PERMIT 6289

AIR NEW SOURCE PERMITS ACCOUNT NUMBER CB0034B

AIR NEW SOURCE PERMITS EPA PERMIT PSDTX76M7

AIR NEW SOURCE PERMITS AFS NUM 4805700013

AIR NEW SOURCE PERMITS REGISTRATION 76678

AIR NEW SOURCE PERMITS REGISTRATION 49524

AIR NEW SOURCE PERMITS EPA PERMIT PSDTX76M8

AIR NEW SOURCE PERMITS REGISTRATION 82172

AIR NEW SOURCE PERMITS PERMIT 83776

AIR NEW SOURCE PERMITS REGISTRATION 92479

PUBLIC WATER SYSTEM/SUPPLY REGISTRATION

IHW CORRECTIVE ACTION SOLID WASTE REGISTRATION

0290051 **AIR EMISSIONS INVENTORY** ACCOUNT NUMBER CB0034B

(SWR) 32164

POLLUTION PREVENTION PLANNING ID NUMBER

P00059

Compliance History Period: September 01, 2012 to August 31, 2017 **Rating Year:** 2017 **Rating Date:** 09/01/2017

Date Compliance History Report Prepared: February 22, 2018

Agency Decision Requiring Compliance History: Enforcement

Component Period Selected: December 18, 2012 to December 18, 2017

TCEQ Staff Member to Contact for Additional Information Regarding This Compliance History.

Name: EPI VILLARREAL

Phone: (361) 825-3421

Site and Owner/Operator History:

1) Has the site been in existence and/or operation for the full five year compliance period?

YES

2) Has there been a (known) change in ownership/operator of the site during the compliance period?

NO

Components (Multimedia) for the Site Are Listed in Sections A - J

A. Final Orders, court judgments, and consent decrees:

N/A

B. Criminal convictions:

N/A

C. Chronic excessive emissions events:

N/A

D. The approval dates of investigations (CCEDS Inv. Track. No.):

Item 1	December 20, 2012	(1066322)
Item 2	January 22, 2013	(1081248)
Item 3	February 21, 2013	(1058823)
Item 4	February 27, 2013	(1056471)
Item 5	March 22, 2013	(1090411)
Item 6	April 15, 2013	(1096767)
Item 7	May 17, 2013	(1107730)
Item 8	June 17, 2013	(1111365)
Item 9	July 01, 2013	(1094095)
Item 10	July 18, 2013	(1118264)
Item 11	August 07, 2013	(1104376)
Item 12	August 20, 2013	(1126054)
Item 13	September 20, 2013	(1130612)
Item 14	October 17, 2013	(1136376)
Item 15	November 20, 2013	(1141758)
Item 16	November 26, 2013	(1129121)
Item 17	December 19, 2013	(1123226)
Item 18	December 21, 2013	(1148222)
Item 19	January 13, 2014	(1154295)
Item 20	February 12, 2014	(1161612)
Item 21	March 19, 2014	(1168246)
Item 22	March 31, 2014	(1151500)
Item 23	April 18, 2014	(1175409)
Item 24	May 20, 2014	(1181598)
Item 25	June 19, 2014	(1188495)
Item 26	June 23, 2014	(1173997)
Item 27	June 24, 2014	(1174007)
Item 28	July 16, 2014	(1179221)
Item 29	July 23, 2014	(1183976)
Item 30	August 12, 2014	(1185036)
Item 31	August 19, 2014	(1200229)
Item 32	August 27, 2014	(1191551)
Item 33	September 12, 2014	(1192562)
Item 34	September 15, 2014	(1206863)
Item 35	October 21, 2014	(1213273)
Item 36	November 19, 2014	(1219527)
Item 37	December 20, 2014	(1225316)
Item 38	January 15, 2015	(1232253)
Item 39	February 18, 2015	(1243329)
Item 40	March 19, 2015	(1249695)
Item 41	April 20, 2015	(1256578)
Item 42	May 19, 2015	(1263321)
Item 43	June 15, 2015	(1270455)
Item 44	July 01, 2015	(1260310)
Item 45	July 17, 2015	(1277983)
Item 46	August 17, 2015	(1284166)
Item 47	August 28, 2015	(1275077)
Item 48	September 21, 2015	(1291322)
Item 49	October 08, 2015	(1268942)
Item 50	October 20, 2015	(1297503)
Item 51	November 24, 2015	(1302946)
Item 52	December 17, 2015	(1309933)
Item 53	December 18, 2015	(1295972)
Item 54	January 18, 2016	(1316690)
Item 55	February 05, 2016	(1305294)
Item 56	February 08, 2016	(1307588)

Item 57	February 19, 2016	(1326058)
Item 58	March 18, 2016	(1332817)
Item 59	March 29, 2016	(1321578)
Item 60	April 20, 2016	(1339952)
Item 61	April 25, 2016	(1328662)
Item 62	May 19, 2016	(1346768)
Item 63	June 16, 2016	(1353199)
Item 64	July 20, 2016	(1373291)
Item 65	August 09, 2016	(1366609)
Item 66	August 10, 2016	(1349190)
Item 67	September 02, 2016	(1344749)
Item 68	October 18, 2016	(1379480)
Item 69	November 17, 2016	(1385429)
Item 70	December 12, 2016	(1381649)
Item 71	December 13, 2016	(1391561)
Item 72	January 11, 2017	(1383074)
Item 73	January 19, 2017	(1398184)
Item 74	January 27, 2017	(1388275)
Item 75	February 10, 2017	(1390410)
Item 76	February 17, 2017	(1405077)
Item 77	March 03, 2017	(1396488)
Item 78	March 13, 2017	(1412159)
Item 79	April 04, 2017	(1401728)
Item 80	April 14, 2017	(1407793)
Item 81	April 20, 2017	(1418660)
Item 82	May 05, 2017	(1409906)
Item 83	May 09, 2017	(1426322)
Item 84	June 09, 2017	(1407437)
Item 85	June 12, 2017	(1414482)
Item 86	June 15, 2017	(1432305)
Item 87	July 20, 2017	(1440867)
Item 88	August 14, 2017	(1421804)
Item 89	August 21, 2017	(1444555)
Item 90	August 22, 2017	(1430311)
Item 91	October 19, 2017	(1457015)
Item 92	November 16, 2017	(1462472)
Item 93	December 08, 2017	(1455786)
Item 94	December 12, 2017	(1462471)

E. Written notices of violations (NOV) (CCEDS Inv. Track. No.):

A notice of violation represents a written allegation of a violation of a specific regulatory requirement from the commission to a regulated entity. A notice of violation is not a final enforcement action, nor proof that a violation has actually occurred.

- 1 Date: 12/07/2017 (1430140)
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 305, SubChapter F 305.125
 30 TAC Chapter 331, SubChapter D 331.64(g)(1)
 40 CFR Chapter 146, SubChapter D, PT 146, SubPT G 146.68(c)(2)
 PP VIII(H) Monitoring and Testing PERMIT
 PP XI(A) Additional Requirements PERMIT
 PP XI(E)(1) Additional Requirements PERMIT
 Description: Failed to perform quarterly corrosion monitoring as required.
- 2 Date: 12/08/2017 (1430268)
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 305, SubChapter F 305.125
 30 TAC Chapter 331, SubChapter D 331.64(g)(1)
 40 CFR Chapter 146, SubChapter D, PT 146, SubPT G 146.68(c)(2)
 PP VIII(H) Monitoring and Testing PERMIT
 PP XI(A) Additional Requirements PERMIT
 PP XI(E)(1) Additional Requirements PERMIT
 Description: Failed to perform quarterly corrosion monitoring as required.

F. Environmental audits:

Notice of Intent Date: 09/20/2013 (1122321)

Disclosure Date: 03/28/2014

Viol. Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)

40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-1(a)

40 CFR Part 60, Subpart VV 60.482-7

Rqmt Prov: PERMIT NSR 6289, SCs 2 & 3

Description: Failed to comply with the monitoring and record keeping requirements of 40 CFR § 60.482-1 through 60.482-10 for tagged components associated with pump, piping, and sphere Tanks T-101, T-102, and T-103. Specifically, they were not listed in the LDAR database for monitoring.

Viol. Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)

40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-1

40 CFR Part 60, Subpart VV 60.482-7

40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.162

40 CFR Part 63, Subpart H 63.168

Rqmt Prov: PERMIT NSR Permit 18046, SC 12

PERMIT NSR Permit 19985, SC 4

PERMIT NSR Permit 6289, SCs 2 and 3

PERMIT NSR Permit 8533, SC 2

Description: Failed to tag and monitor components associated with instrument sampling systems throughout the facility.

Viol. Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)

40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-1

40 CFR Part 60, Subpart VV 60.482-7

40 CFR Part 60, Subpart VV 60.483-1

40 CFR Part 60, Subpart VV 60.483-2

40 CFR Part 60, Subpart VV 60.487

40 CFR Part 63, Subpart H 63.163

40 CFR Part 63, Subpart H 63.165

40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.181

40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.182

Rqmt Prov: PERMIT NSR Permit 18046, SC 12

PERMIT NSR Permit 19985, SC 4

PERMIT NSR Permit 6289, SCs 2 and 3

PERMIT NSR Permit 8533, SC 2

Description: Failed to accurately calculate leak rates due to inaccurate component count.

Viol. Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)

40 CFR Part 60, Subpart VV 60.483-2

40 CFR Part 63, Subpart H 63.168

Rqmt Prov: PERMIT NSR Permit 18046, SC 12

PERMIT NSR Permit 19985

PERMIT NSR Permit 6289, SCs 2 and 3

PERMIT NSR Permit 8533, SC 2

Description: Failed to properly apply an alternate monitoring frequency due to a reported leak rate exceeding the prior reported leak rate.

Viol. Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)

40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.180(b)

Rqmt Prov: PERMIT NSR Permit 6289, SCs 2 and 3

Description: Failed to apply reliable leak detection techniques during LDAR monitoring. Specifically, a pump seal was not monitored within 1 cm of the rotating shaft; monitoring was not performed on all potential leak surfaces, and the bottom packing ring was not traversed during the monitoring of two control valves.

Viol. Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)

40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.180(b)

Rqmt Prov: PERMIT NSR Permit 18046, SC 12

PERMIT NSR Permit 19985, SC 4

PERMIT NSR Permit 6289, SCs 2 and 3

PERMIT NSR Permit 8533, SC 2

Description: Failed to monitor pumps with instruments calibrated with a mid-point standard.

Viol. Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)

40 CFR Part 60, Subpart VV 60.482-6

40 CFR Part 63, Subpart H 63.167

Rqmt Prov: PERMIT NSR Permit 18046, SC 12

PERMIT NSR Permit 19985, SC 4

PERMIT NSR Permit 6289, SCs 2 and 3

PERMIT NSR Permit 8533, SC 2

Description: Failed to cap six open-ended lines.

Viol. Classification: Moderate

Citation: 40 CFR Part 60, Subpart VV 60.482-5

40 CFR Part 63, Subpart H 63.166

Description: Failed to equip five sampling connection systems in the loading area with a closed-purge, closed-loop, or closed-vent system.

Viol. Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)

40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.162

40 CFR Part 63, Subpart H 63.168

Rqmt Prov: PERMIT NSR Permit 18046

Description: Failed to tag and monitor components associated with the semi-works reactor.

G. Type of environmental management systems (EMSS):

N/A

H. Voluntary on-site compliance assessment dates:

N/A

I. Participation in a voluntary pollution reduction program:

J. Early compliance:

N/A

Sites Outside of Texas:

N/A

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



**IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING
INEOS NITRILES USA LLC
RN100210038**

AGREED ORDER
DOCKET NO. 2017-1788-WDW-E

I. JURISDICTION AND STIPULATIONS

On _____, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding INEOS NITRILES USA LLC (the "Respondent") under the authority of TEX. HEALTH & SAFETY CODE ch. 361 and TEX. WATER CODE chs. 7 and 27. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent together stipulate that:

1. The Respondent owns and operates an industrial chemical manufacturing company and an underground injection well located at 13050 State Highway 185 North in Port Lavaca, Calhoun County, Texas (the "Facility"). The Respondent is utilizing, has begun drilling, or is converting injection wells as that term is defined in TEX. WATER CODE § 27.002(11).
 2. The Executive Director and the Respondent agree that the TCEQ has jurisdiction to enter this Order pursuant to TEX. WATER CODE §§ 7.002, 7.051, and 7.073, and that the Respondent is subject to TCEQ's jurisdiction. The TCEQ has jurisdiction in this matter pursuant to TEX. WATER CODE § 5.013 because it alleges violations of TEX. HEALTH & SAFETY CODE ch. 361, TEX. WATER CODE ch. 27, and the rules of the TCEQ.
 3. The occurrence of any violation is in dispute and the entry of this Order shall not constitute an admission by the Respondent of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
 4. An administrative penalty in the amount of \$15,802 is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent paid \$6,321 of the penalty and \$3,160 is deferred contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Order. The deferred amount shall be waived only upon full compliance with all the terms and conditions contained in this Order. If the Respondent fails to timely and satisfactorily comply with any of the terms or requirements contained in this Order, the Executive Director may demand payment of all or part of the deferred penalty amount.

Pursuant to TEX. WATER CODE § 7.067, \$6,321 of the penalty shall be conditionally offset by the Respondent's timely and satisfactory completion of a Supplemental Environmental Project ("SEP") as defined in the attached SEP Agreement ("Attachment

A", incorporated herein by reference). The Respondent's obligation to pay the conditionally offset portion of the penalty shall be discharged upon full compliance with all the terms and conditions of this Order, which includes the timely and satisfactory completion of all provisions of the SEP Agreement, as determined by the Executive Director.

5. The Executive Director and the Respondent agree on a settlement of the matters alleged in this enforcement action, subject to final approval in accordance with 30 TEX. ADMIN. CODE § 70.10(a). Any notice and procedures, which might otherwise be authorized or required in this action, are waived in the interest of a more timely resolution of the matter.
6. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Order.
7. This Order represents the complete and fully-integrated agreement of the parties. The provisions of this Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Order unenforceable, the remaining provisions shall be valid and enforceable.
8. This Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Order, whichever is later.
9. The Executive Director recognizes that the Respondent submitted documentation on August 21, 2017 to the Corpus Christi Regional Office indicating that they:
 - a. Implemented procedures to ensure quarterly corrosion monitoring is performed in a timely manner; and
 - b. Implemented procedures to calibrate injection flow meters to control injection pressures and to perform preventative maintenance on the control valve to ensure injection pressure is maintained below the maximum permitted limit.

II. ALLEGATIONS

During an investigation conducted on July 18, 2017, an investigator documented that the Respondent:

1. Failed to conduct quarterly corrosion monitoring of well materials, in violation of 30 TEX. ADMIN. CODE § 331.64(g) and Waste Disposal Well ("WDW") Permit No. WDW-165 Provision VIII(H) Monitoring and Testing and Provision IX(E)(1) and XI(A) Additional Requirements. Specifically, corrosion monitoring was not performed for the second quarter and fourth quarter of 2016.
2. Failed to maintain an operating wellhead injection pressure that does not exceed the permitted maximum, in violation of 30 TEX. ADMIN. CODE §§ 305.125 and 331.63(c) and 40 CODE OF FEDERAL REGULATIONS § 146.13(a)(1) and Permit No. WDW-165, Permit Provision VII(B) Operating Requirements, XI(A) and XI(E)(1) Additional Requirements.

Specifically, on May 26, 2015, during normal operation of the well, the injection pressure increased to 1,006 pounds per square inch gauge ("psig") for less than one minute which exceeded the 1,000 psig maximum permitted surface injection pressure.

3. Failed to maintain chemical or physical characteristics of the injected fluids within specified permit limits for the protection of the injection well, associated facilities, and injection zone and to ensure proper operation of the Facility, in violation of 30 TEX. ADMIN. CODE § 331.63(h) and Permit No. WDW-165 Provision Nos. XI(A) and XI(E)(1) Additional Requirements and V(C) Character of the Waste Stream. Specifically, on May 13, 2017, the pH of injected fluids into the injection well was measured at 8.1 which exceeded the maximum permitted pH of 8.0.

III. DENIALS

The Respondent generally denies each allegation in Section II ("Allegations").

IV. ORDERING PROVISIONS

NOW, THEREFORE, THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY ORDERS that:

1. The Respondent is assessed a penalty as set forth in Section I, Paragraph 4. The payment of this penalty and the Respondent's compliance with all of the requirements set forth in this Order resolve only the allegations in Section II. The Commission shall not be constrained in any manner from requiring corrective action or penalties for violations which are not raised here. Penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: INEOS NITRILES USA LLC, Docket No. 2017-1788-WDW-E" to:

Financial Administration Division, Revenue Operations Section
Attention: Cashier's Office, MC 214
Texas Commission on Environmental Quality
P.O. Box 13088
Austin, Texas 78711-3088

2. The Respondent shall implement and complete an SEP as set forth in Section I, Paragraph 4. The amount of \$6,321 of the assessed penalty is conditionally offset based on the Respondent's implementation and completion of the SEP pursuant to the terms of the SEP Agreement, as defined in Attachment A. Penalty payments for any portion of the SEP deemed by the Executive Director as not complete shall be paid within 30 days after the date the Executive Director demands payment.
3. The Respondent shall undertake the following technical requirements:
 - a. Within 30 days after the effective date of this Order, develop and implement procedures to maintain physical and chemical characteristics of injected fluids into the injection well are within specified permit limits, in accordance with 30 TEX. ADMIN. CODE § 331.63 and Permit No. WDW-165; and

- b. Within 45 days after the effective date of this Order, submit written certification, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision No. 3.a. The certification shall be signed by the Respondent and shall include the following certification language:

"I certify under penalty of law that I have personally examined and am familiar with the information submitted and all attached documents, and that based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the submitted information is true, accurate and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fines and imprisonment for knowing violations."

The certification shall be submitted to:

Order Compliance Team
Enforcement Division, MC 149A
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

with a copy to:

Waste Section Manager
Corpus Christi Regional Office
Texas Commission on Environmental Quality
6300 Ocean Drive, Suite 1200
Corpus Christi, Texas 78412-5839

4. All relief not expressly granted in this Order is denied.
5. The duties and provisions imposed by this Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of this Order to personnel who maintain day-to-day control over the Facility operations referenced in this Order.
6. If the Respondent fails to comply with any of the Ordering Provisions in this Order within the prescribed schedules, and that failure is caused solely by an act of God, war, strike, riot, or other catastrophe, the Respondent's failure to comply is not a violation of this Order. The Respondent shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. The Respondent shall notify the Executive Director within seven days after the Respondent becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.
7. The Executive Director may grant an extension of any deadline in this Order or in any plan, report, or other document submitted pursuant to this Order, upon a written and substantiated showing of good cause. All requests for extensions by the Respondent shall be made in writing to the Executive Director. Extensions are not effective until the Respondent receives written approval from the Executive Director. The determination

of what constitutes good cause rests solely with the Executive Director. Extension requests shall be sent to the Order Compliance Team at the address listed above.

8. This Order, issued by the Commission, shall not be admissible against the Respondent in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
9. This Order may be executed in separate and multiple counterparts, which together shall constitute a single instrument. Any page of this Order may be copied, scanned, digitized, converted to electronic portable document format ("pdf"), or otherwise reproduced and may be transmitted by digital or electronic transmission, including but not limited to facsimile transmission and electronic mail. Any signature affixed to this Order shall constitute an original signature for all purposes and may be used, filed, substituted, or issued for any purpose for which an original signature could be used. The term "signature" shall include manual signatures and true and accurate reproductions of manual signatures created, executed, endorsed, adopted, or authorized by the person or persons to whom the signatures are attributable. Signatures may be copied or reproduced digitally, electronically, by photocopying, engraving, imprinting, lithographing, electronic mail, facsimile transmission, stamping, or any other means or process which the Executive Director deems acceptable. In this paragraph exclusively, the terms: electronic transmission, owner, person, writing, and written, shall have the meanings assigned to them under TEX. BUS. ORG. CODE § 1.002.
10. The effective date of this Order is the date it is signed by the Commission. A copy of this fully executed Order shall be provided to each of the parties.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission

Date



For the Executive Director

12/10/18

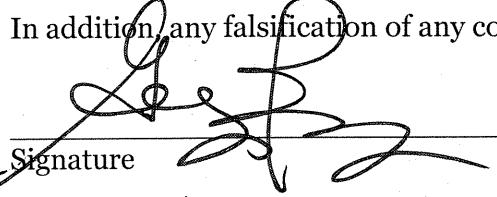
Date

I, the undersigned, have read and understand the attached Order. I am authorized to agree to the attached Order, and I do agree to the terms and conditions specified therein. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

I also understand that failure to comply with the Ordering Provisions, if any, in this Order and/or failure to timely pay the penalty amount, may result in:

- A negative impact on compliance history;
- Greater scrutiny of any permit applications submitted;
- Referral of this case to the Attorney General's Office for contempt, injunctive relief, additional penalties, and/or attorney fees, or to a collection agency;
- Increased penalties in any future enforcement actions;
- Automatic referral to the Attorney General's Office of any future enforcement actions; and
- TCEQ seeking other relief as authorized by law.

In addition, any falsification of any compliance documents may result in criminal prosecution.



Signature

Guy BARNOCZY

Name (Printed or typed)

Authorized Representative of
INEOS NITRILES USA LLC

If mailing address has changed, please check this box and provide the new address below:

4245 Meridian Parkway
Suite 130
Aurora, IL 60504

2 APRIL 2018

Date

PRESIDENT, INEOS Nitriles USA

Title

Attachment A
Docket Number: 2017-1788-WDW-E
SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	INEOS NITRILES USA LLC
Payable Penalty Amount:	\$12,642
SEP Offset Amount:	\$6,321
Type of SEP:	Contribution to a Third-Party Pre-Approved SEP
Third-Party Administrator:	Texas Association of Resource Conservation and Development Areas, Inc.
Project Name:	<i>Household Hazardous Waste Collection</i>
Location of SEP:	Calhoun County: Lavaca-Guadalupe Coastal Basin, Gulf Coast Aquifer

The Texas Commission on Environmental Quality (“TCEQ”) agrees to offset a portion of the administrative penalty amount assessed in this Agreed Order for the Respondent to contribute to a Supplemental Environmental Project (“SEP”). The offset is equal to the SEP Offset Amount set forth above and is conditioned upon completion of the project in accordance with the terms of this Attachment A.

1. Project Description

a. Project

The Respondent shall contribute the SEP Offset Amount to the Third-Party Administrator named above. The contribution will be to the **Texas Association of Resource Conservation and Development Areas, Inc.** (“RC&D”) for the *Household Hazardous Waste (“HHW”)* *Collection* project. The contribution will be used in accordance with the SEP Agreement between the Third-Party Administrator and the TCEQ (the “Project”). Specifically, the SEP Offset Amount will be used to coordinate with city and county government officials and private entities (collectively known as “Partner Entities”) to conduct events for residents to bring in HHW such as paint, thinners, pesticides, oil and gas, corrosive cleaners, and fertilizers for proper disposal. Where possible, the Project may also offer electronics collection, disposal, and recycling. The Third-Party Administrator shall work with Partner Entities to determine exactly which materials will be accepted and how they will be disposed of or recycled.

The Third-Party Administrator shall ensure that individuals qualified to make determinations regarding receiving, handling, and temporarily storing HHW are present at each event. The Third-Party Administrator shall use only licensed haulers and authorized disposal sites.

INEOS NITRILES USA LLC
Agreed Order - Attachment A

The Third-Party Administrator shall ensure that, at least 45 days before each Collection Event, Form TCEQ-20459 Notification for a Household Hazardous Waste Collection Event, as may be amended, is submitted to TCEQ in accordance with Chapter 335, TEXAS ADMINISTRATIVE CODE. The SEP will be performed in accordance with all federal, state, and local environmental laws and regulations.

All dollars contributed will be used for the direct cost of the Project, including but not limited to supplies, materials, and equipment. Any portion of this contribution that is not able to be spent on the specifically identified SEP may, at the discretion of the Executive Director ("ED"), be applied to another pre-approved SEP.

The Respondent's signature affixed to this Agreed Order certifies that it has no prior commitment to make this contribution and that it is being made solely in an effort to settle this enforcement action. The Respondent shall not profit in any manner from this SEP.

b. Environmental Benefit

This SEP will provide a means of properly disposing of HHW which might otherwise be disposed of in regular landfills, storm drains, sewer systems, or other means detrimental to the environment. This SEP will provide assistance to help rid communities of the dangers and health threats associated with HHW, and will provide for proper and protective disposal or recycling of collected materials.

c. Minimum Expenditure

The Respondent shall contribute at least the SEP Offset Amount to the Third-Party Administrator and comply with all other provisions of this SEP.

2. Performance Schedule

Within 30 days after the effective date of this Agreed Order, the Respondent must contribute the SEP Offset Amount to the Third-Party Administrator. The Respondent shall make the check payable to **Texas Association of RC&D SEP** and shall mail the contribution with a copy of the Agreed Order to:

Texas Association of RC&D Areas, Inc.
Attn.: Jerry Pearce, Executive Director
P.O. Box 2533
Victoria, Texas 77902

INEOS NITRILES USA LLC
Agreed Order - Attachment A

3. Records and Reporting

Concurrent with the payment of the SEP Offset Amount, the Respondent shall provide the Enforcement SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP Offset Amount to the Third-Party Administrator. The Respondent shall mail a copy of the check and transmittal letter to:

Texas Commission on Environmental Quality
Enforcement Division
Attention: SEP Coordinator, MC 219
P.O. Box 13087
Austin, Texas 78711-3087

4. Failure to Fully Perform

If the Respondent does not perform its obligations under this Attachment A, including full expenditure of the SEP Offset Amount, as described in Sections 2 and 3 above, the ED may require immediate payment of all or part of the SEP Offset Amount.

In the event the ED determines that the Respondent failed to fully implement and complete the Project, the Respondent shall remit payment for all or a portion of the SEP Offset Amount, as determined by the ED, and as set forth in the attached Agreed Order. After receiving notice of failure to complete the Project, the Respondent shall include the docket number of the attached Agreed Order and a note that the enclosed payment is for the reimbursement of a SEP; shall make the check payable to "Texas Commission on Environmental Quality"; and shall mail it to:

Texas Commission on Environmental Quality
Litigation Division
Attention: SEP Coordinator, MC 175
P.O. Box 13087
Austin, Texas 78711-3087

5. Publicity

Any public statements concerning this SEP and/or project, made by or on behalf of the Respondent must include a clear statement that **the project was performed as part of the settlement of an enforcement action brought by the TCEQ**. Such statements include advertising, public relations, and press releases.

INEOS NITRILES USA LLC
Agreed Order - Attachment A

6. Recognition

The Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

7. Other SEPs by TCEQ or Other Agencies

The SEP Offset Amount identified in this Attachment A and in the attached Agreed Order has not been, and shall not be, included as a SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.